



STATE OF SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS

APPLICATION INSTRUCTIONS FOR LICENSE TO SELL PRENEED FUNERAL CONTRACTS

Mailing Address
P.O. Box 5757
Columbia, SC 29250-5757

S.C. Code Ann. § 37-7-10 et. seq.
www.sccconsumer.gov
803-734-4236/800-922-1584

Street Address
3600 Forest Drive
Columbia, SC 29204-4406

A. LICENSING OVERVIEW

Effective July 1, 2006, the oversight for preneed funeral contracts was transferred to this Department by the General Assembly in Section 8 of Act No. 188 of 2004.

B. APPLICATION

Please submit following items for processing the application to sell preneed funeral contracts:

- (a) The license application, completed in its entirety and a \$250, non-refundable application fee
- (b) The bond form, which must be completed by a properly licensed insurance company or an irrevocable letter of credit issued by your bank.
- (c) A release authorization form for a criminal records check.
- (d) Current financial statement (balance sheet) and a current credit bureau report.

C. CRIMINAL RECORDS CHECK & FINANCIAL STATEMENT

Applicants are subject to a Criminal records check and must pay the actual cost of obtaining the records check, currently included in the \$250 non-refundable application fee. If your funeral home is incorporated, the credit bureau report should be on the owner and manager, but the financial statement should be on the funeral home. If your funeral home is not incorporated the credit bureau report and financial statement should all be on the owner and manager.

D. BOND FORM

You should have the insurance company complete the bond form in the amount of \$15,000. As of November 1, 2006, the Department will accept an irrevocable letter of credit issued by your bank in the amount of \$15,000. The amount required on the bond will increase as your total dollar amount of outstanding contracts increases, as shown below. It is the responsibility of each funeral home licensed to sell preneed funeral contracts to maintain the appropriate bond or letter of credit amount.

<u>Total Ins. & Trust Balance</u>	<u>Amount of Bond or Letter of Credit Required</u>
\$0-100,000	\$15,000
100,001-250,000	30,000
250,001-500,000	45,000
500,001 and over	75,000

E. Submit application materials to:

SC Department of Consumer Affairs
P.O. Box 5757
Columbia, SC 29250-5757

or

3600 Forest Drive, Suite 300
Columbia, SC 29204

Contact phone number: (803)734-4236